

Accounts
for the year ending 31 December 2011

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Parish of St James, Sutton, near Macclesfield, Cheshire

Annual Report for 2011

Background

The Parochial Church Council of the Parish of St James, Sutton, near Macclesfield Cheshire ("the PCC") has the responsibility of co-operating with the incumbent, the Revd Edward W L Davies, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelical, social and ecumenical. It also has maintenance responsibilities for the Church of St James and the adjoining Church Hall.

The Duties of the PCC

The PCC is responsible for all parish finance, its management and control, including the appointment of a Treasurer and in particular

- Keeping 'proper accounting records', which must be sufficient to show and explain all the PCC's transactions.
- Ensuring that the finances of the PCC are under its control and only delegated if the PCC can ensure that its wishes will be followed.
- preparing an annual account (financial statements) and report, which shall be presented to the Annual Parochial Church Meeting in accordance with the requirements of the Church Representation Rules.
- Arranging for a suitable independent examination or audit of the financial statements.

Membership

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

During the year the following served as members of the PCC:

Incumbent: The Rev'd Edward W L Davies (Chairman)

Curate: The Rev'd Vivien Gisby

Reader: Mrs Jenny Kendal

Wardens: Mrs Elizabeth Davis (*until 17.4.11.*
Remained an elected member of the PCC)
Mr Roger Fenton (*from 17.4.11*)
Mrs Elizabeth Cusick (*until 17.4.11*)
Miss Audrey Fernyhough (*from 17.4.11*)

Lay Chairman Mr Fred Bailey (*until 17.4.11, then vacant*)

Secretary Mrs Gwen Newman (*from 17.4.11*)

Treasurer Mr Timothy Kendal

Representatives on the Deanery Synod Mrs Margaret Nield, Mrs Janet Parkinson & Mrs Jenny Kendal (with Mr David Marriott – ex officio)

Elected members (not being office holders named above):

Gill Barber	Christine Bullock	John Campbell-Kelly (<i>until 17.4.11</i>)
David Cusick (<i>until 17.4.11</i>)	John Evans (<i>from 17.4.11</i>)	David Marriott
Margaret Nield	Janet Parkinson	Howard Reeves (<i>until 17.4.11</i>)
Martin Rossiter	Heather Self (<i>until 17.4.11</i>)	Jane Sinclair-Smith
Christine Smith	Hayley Roberts (<i>from 17.4.11</i>)	Judith Whomsley (<i>from 17.4.11</i>)
Mrs Elizabeth Davis	Matthew Self (<i>from 17.4.11</i>)	

Committees

The PCC operates through a number of committees, which meet between full meetings of the PCC:

Standing Committee:

This is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council.

Finance & Stewardship Committee:

Oversees the general financial dimension of the work of the Church by monitoring income and expenditure, budgeting, maintaining appropriate financial controls and co-ordinating the annual review of the Christian Stewardship of money through planned giving and otherwise.

Worship Committee:

Attends to matters relating to ministry to the local Church, such as aspects of worship, mid-week groups and the work with children and young people.

Mission and Unity Committee:

Attends to matters relating to ministry of the local Church to the community and the world, such as ecumenical links, evangelism and the support of mission and relief agencies.

Premises Committee:

Attends to matters relating to the stewardship of plant, such as the church buildings and fabric, and the Hall

Church Hall

Attends to matters relating to the day to day running of the Hall, bookings, caretaking, minor repairs, decoration etc.

Churchyard

Attends to matters relating to the Churchyard, maintenance including grasscutting, health and safety (especially in relation to upright gravestones)

Child Protection

Attends to matters relating to the Church's Child Protection Policy, including CRB certification for all relevant persons

Magazine

Attends to the editing, production and distribution of the monthly Parish News

Church attendance

There are 223 (218 in 2010) parishioners on the Church Electoral Roll, 60 (62 in 2010) of whom are not resident within the parish. The average weekly attendance at our normal 3 Sunday services, counted during 6 weeks in October / November, was 129 (up from 124.4 in 2010, an increase of 3.7%, reversing a decline of 11.7% between 2009 and 2010). These numbers are always larger at festivals.

Review of the year

The full PCC met 6 times during the year with an average attendance of 14. Committees met between meetings and minutes of their deliberations were received by the full PCC and discussed where necessary.

All matters having a financial element affecting the Church, including our grant-making policies in relation to charitable donations, are the subject of full discussion as occasion requires by the full PCC though recommendations are from time to time made by the Finance & Stewardship Committee

It is our policy to invest our cash funds not required in the short term with the CCLA Church of England Deposit Fund. In general a sum representing between one and two months expenditure is held on Current Account with our bankers, National Westminster Bank plc.

The Friends of St James Church initiative had 53 members at the end of the year (47 members at the end of last year). All have covenanted donations by bank standing order, and we are delighted and relieved to have this continuing additional source of income, which we hope will be enhanced in future years

Efforts to enhance our income and contain expenditure in other ways have continued, and the attached Accounts show considerable improvement in various areas as a result of this.

During the year we have continued to identify and manage appropriately the major risks which impact the work of the Church in the parish. An analysis of existing controls in place to deal with these risks is still being developed by identifying further actions required to mitigate these risks.

A programme of maintaining the fabric of the Church building has continued. Further reserves remain for ongoing maintenance and repair

A Gift Day was held as usual during the year as part of the St James' Day weekend, as has usually been done in the past. On this occasion it was decided to use the Appeal to assist in funding the decoration and maintenance of the Hall. The amount raised included not only the actual gifts received (and Gift Aid tax recovered thereon) but also the net proceeds from the afternoon fête that took place the same weekend.

Apart from this, our fund-raising activities have continued in much the same way as in previous years.

In spite of the continuing shortfall of our regular income against our regular expenditure, the PCC resolved in November 2011, to resume making donations to charities, and this was done using the same formulae as in 2009.

The Reports from the numerous groups that contribute to the life of the Church are presented annually to the APCM and should be read in conjunction with this Report.

On behalf of the PCC March 2012

..... Gwen Newman - Hon. Secretary

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING
December 31, 2011**

2010 £	INCOME	Codes	2011		
			Unrestricted	Restricted	Total
13,523	Regular Giving by S/Order (incl Gift Aiding Friends)	1	16,255.00		
16,084	Envelope Scheme	2	15,665.04		
8,471	Tax recovered	3	9,052.80		
8,100	Collections at Services (cash)	43	8,570.82		
46,177			49,543.66		
5,206	Incumbent's Fees received	54	5,633.50		
90	Unclassified receipts (Use of Church for concert by KEMS in May 2010)	57			
637	Wallsafe & Pennies Jar (including sales of St James History)	4	520.34		
2,735	In Memoriam Donations	5	3,134.00		
4,243	Other Donations (see Note 5.K)	6	3,610.64		
59,089				62,442.14	
5,650	Magazine Subscriptions & Advertising (see Note 5 A)	40 41		4,766.00	
970	Bellringers Fees etc (<i>paid out to them</i>) (Note 5 C)	38		1,365.00	
	Handbell Ringers – donations etc received (<i>paid out to them</i>) (Note 5 C)	39			
	Church Fees from services etc				
2,106	Weddings	8	3,198.00		
5,528	Funerals	9	4,342.00		
1,586	Monuments	10	1,023.00		
9,220			8,563.00		
1,960	Organist Verger & Sexton fees (<i>paid out to them</i>)	48-50	2,630.00		
11,180				11,193.00	
76,888	Total Non-Investment Income			79,766.14	
	Bank & Other Interest				
538	Restricted Funds	19			
7,143	General Funds	20	480.59		
7,682	Investment Income & Rent	22	7,311.04		
				7,791.63	
84,569	TOTAL INCOME			87,557.77	87,557.77

EXPENDITURE

2011

			Unrestricted	Restricted	Total
The Ministry					
50,527	Parish Share	101	52,043.04		
3,494	Housing (Council Tax, Repairs Maintenance)	102	3,547.28		
120	Clergy & other Conferences	104	280.00		
3,750	Incumbent's Expenses (<i>incl Curate in January</i>)	151-3	4,034.99		
	<i>Garden, Motor, Office, Secretary</i>	+ 155			
5,206	Fees paid to Incumbent (Weddings, Funerals)	154	5,633.50		
3,084	Fees to Clergy & Organists (Sundays) <i>Note 5.F</i>	156	3,000.00		
1,770	Organist Verger Sexton (Weddings & Funerals)	158-60	2,585.00		
970	Bellringers – wedding fees paid out (Note 5 C)	115	1,365.00		
	Handbell Ringers – see Note 5 C	116			
5,432	Parish Magazine expenses (see Note 5 A)	117	5,299.80		
45	Deanery Synod & professional Fees	103	149.85		
74,399				77,938.46	
The Church, Services & Mission					
2,898	Heat and Light incl Boiler Service	106	2,066.17		
710	less Heat & Light charges for weddings & funerals	11	804.10		
2,188			1,262.07		
2,606	Insurance	107	2,692.09		
	Organ Tuning & Maintenance	108	347.80		
	Cleaning materials & sundries	109			
339	Upkeep of Services	110	477.23		
856	Minor Repairs & Renewals (incl clock service)	111	162.05		
627	Miscellaneous (see Note 5.L)	112	2,161.90		
6,616				7,103.14	
Churchyard					
3,110	Contractor	120	3,565.00		
33	Materials	121	132.23		
	Waste Disposal	122			
36	Machinery Maintenance	124	440.00		
1,060	Other Churchyard Expenditure (repairs to stone walls)	125	78.98		
1,550	Headstone Repairs, Plaques & Monuments	123	654.85		
-1,461	less cost of plaques & monuments recovered	52	-882.70		
4,328			-227.85		
	Total Expenditure on Churchyard		3,988.36		
	less 2010 Gift Day donations allocated to Churchyard		-3,988.36		
	Net Cost against this year's Income			nil	
3,675	<i>Parish Weekend at Willersley Castle, Matlock May 2010</i>	143			
3,813	<i>Deposit paid</i>	45			
-138	<i>less receipts</i>				
Charitable Payments outside the Parish (excluding Special Efforts)					
	Overseas Church	146	580.00	<i>None made in 2010</i>	
	Home Missions	147	955.00	<i>see Note 3.B</i>	
	Secular Charities	148	795.00		
				2,330.00	
	<i>(Special Efforts now shown on separate sheet)</i>				
85,205	Total Normal annual Expenditure			87,371.60	
84,569	Total Income as above		87,557.77		
85,205	less normal annual expenditure as above		87,371.60		
-636	Net surplus (deficit) of normal income / expenditure to Funds & Activities		186.17		
Non-annual expenses					
	Decoration (interior)	134			
	Clock repairs	135			
18,166	Building Repair / Maintenance	136	1,679.00		
20,399	Heating & Lighting equipment repair / replacement / improvement	137	2,523.56		
	Office Equipment purchases	138			
	<i>See Note 5.J</i>				
38,565				4,202.56	
123,770	TOTAL EXPENDITURE			91,574.16	91,574.16
-39,201	Deficit including Non-annual Expenditure			-4,016.39	-4,016.39

Parish of St. James, Sutton

Hall Account

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING December 31, 2011

2010 £	INCOME	Codes	2011
3,402	Pre-School	28	3,784.00
1,659	Yoga & Pilates (Monday)	29	1,085.00
1,332	Whist (Tuesday & Saturday)	30	1,491.00
210	Hobnob Club	31	90.00
325	Parish Council	32	325.00
560	Women's Institute	33	519.00
2,974	Other Lettings	34	3,300.50
			10,594.50
10,462	TOTAL INCOME		10,594.50
	EXPENDITURE		
1,983	Caretaker	127	1,951.00
950	Insurance	128	979.14
4,249	Heat and Light, & Water incl Boiler Service	129	3,229.33
731	Waste disposal & sundries	130	950.64
323	Minor Repairs & Renewals	131	1,063.87
315	Outside Cleaners	132	99.00
8,550			8,272.98
1,912	Surplus (deficit if negative), excluding non-annual expenditure		2,321.52
	Non-annual expenses		
	Decoration	139	4,564.46
	less Gift Day donations & Gift Aid refund net cost		4,344.54 219.92
934	Building Repair / Maintenance / Improvement <i>see Note 5.J.5</i>	140	22.90
	Boiler & tank repair / replacement	141	
			242.82
9,484	TOTAL EXPENDITURE		8,515.80
978	Surplus to Summary of Funds and Activities		2,078.70

Parish of St. James, Sutton

Choir Account

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING December 31, 2011

2010 £		Codes	2011
4,425	Balance at start of year		4,990.89
1,382	INCOME	36	1,494.79
816	Deduct EXPENDITURE	113	2,311.45
566	NET INCOME		-816.66
4,991	Balance at end of Year	<i>see Note 5.B page 14</i>	4,174.23

RECEIPTS AND PAYMENTS FOR THE YEAR ENDING

December 31, 2011

2010	RECEIPTS	Codes		
	Income from Special Efforts less Expenses			
1,093	Christmas Fair	13	<i>£1,298 in 2009</i>	1,029.90
	Advent Hotpot Supper	14		
299	Lent Lunches	15		172.30
	Harvest Supper	16		295.20
	Book Sale	17		940.80
	Other Events	18		695.33
401	Sunday Coffee	18m	***	53.07
2,084	Open Gardens Day	18m		
44	Christmas Card box in Church	18m		71.50
<hr/>				
3,921	Total raised by Special Efforts this year			<u>3,258.10</u>
	PAYMENTS			
	Payments out of Special Effort Money to Beneficiaries & for Expenses			
1,093	Christmas Fair	163		1,029.90
	<i>Rossendale Trust</i>			
	<i>Harvest Hotpot Supper</i>	164		
299	Lent Lunches	165		172.30
	<i>Christian Aid</i>			
	Harvest Supper (loss written off)	166		
	Book Sale	167		
2,478	Other Events	168		817.45
	Namely:			
	<i>Horn of Africa Famine appeal - July 2011</i>		185.95	
1,042	<i>Lubwe Wells Appeal - Barn Dance</i>		378.00	
1,042	<i>Christian Aid - Quiz Night</i>		182.00	
350	Sunday Coffee	***		
44	Christmas Card box in Church			71.50
	<i>Children's Society</i>			
<hr/>				
3,870	Total given from Other Events		<u>817.45</u>	<u>2,019.65</u>

*** The figure here is the net amount of Sunday coffee money received, after deducting the cost of coffee & other expenses. It includes £50.62 carried forward from 2010, but does not reflect the larger than usual quantity of unused coffee currently held.

Balance raised this year & brought forward, not yet paid out 1,289.07
See Note 5 N

Parish of St. James, Sutton

RESERVES ACCOUNT FOR THE YEAR ENDING

December 31, 2011

2010
£

See Note 5.H to the Accounts for more information

Totals for 2011

		Findlow 1	Findlow 2	Repairs	Film Prize	Gift Day Appeals	Working Capital	Unrestricted Funds	Restricted Funds	Total
Category	(see below)	1	2	3	4	5	6			
274,268	Total Funds at start of year (from last Accounts) (Category 6 adjusted – see below)	55,063.56	131,913.35	21,834.50	2,900.00	4,864.92	33,333.33	249,909.66	5,562.80	255,472.46
RECEIPTS		Codes								
	Legacies to General Funds						1,000.00	1,000.00		1,000.00
-185	Legacies and Gifts to Restricted Funds									
4,865	Gift Day Appeal (St James Day) 2011 <i>includes Gift Aid Tax Refund (£669.14)</i> Gift Day Appeal (St James Day) 2010					4,344.54		4,344.54		4,344.54
	Increase (decrease) in value of Investments		-11,168.32					-11,168.32		-11,168.32
								-5,823.78		-5,823.78
959	Total surplus / deficit for year (Church, Hall & Choir)						2,264.87	2,264.87	421.79	2,686.66
293,837								246,350.75	5,984.59	252,335.34
PAYMENTS & TRANSFERS										
Capital Charitable Grants (see separate sheet - none this year)										
Non-annual expenses										
	Decoration (interior)	134								
	Clock repairs	135								
	Building Repair / Maintenance	136		-1,679.00				-1,679.00		-1,679.00
	Heating & Lighting equipment repair / replacement / improvement	137	-2,523.56					-2,523.56		-2,523.56
	Office Equipment purchases	138								
Other Payments from Reserves <i>see Note 5 L</i>										
	Grant to Parish Plan Committee				-1,000.00		1,000.00			
	Projector Screen in Church				-90.99		90.99			
	Camcorder				-169.98		169.98			
	Transfer to Churchyard Expenditure <i>from 2010 Gift Day appeal</i>					-3,988.36		-3,988.36		-3,988.36
	Transfer to Church Income & Expenditure account <i>To maintain working capital</i>	**	4,525.84				-4,525.84			
-38,565	Transfer to Hall Income & Expenditure account					-4,344.54		-4,344.54		-4,344.54
								-12,535.46		-12,535.46
255,272	Balance at end of year (see Summary of Funds and Activities)	55,063.56	122,747.31	20,155.50	1,639.03	876.56	33,333.33	233,815.29	5,984.59	239,799.88

See Category Descriptions and Notes on next page

Category

- 1 Balance of one-third of the Findlow legacy resolved in 2007 to be used for capital Grants to other charities (including churches) over a number of years, but not yet paid out (the PCC considers appeals periodically) – see Grants on Page 7
- 2 Two-thirds of the Findlow legacy, resolved by the PCC in 2007 to be retained as a permanent endowment, the income (but not the capital) being used for grants from time to time to other charities (including churches), and for the general purposes of St James Church. Holding these funds as a permanent endowment means that the investments representing them are to be invested and retained. In the light of the shortfalls on the Church Account in each of the last 4 years, the PCC has decided to fund the shortfall from these reserves. The further expenditure on heating and lighting in the Church has been deducted from this fund separately, for clarity. There were no further reserves for heating & lighting work at the start of the year - see Notes in 2010 Accounts. The funding of the shortfall from this category of reserves is shown by the transfer from Category 2 to Category 6
- 3 Provision for repairs to the fabric of the Church to be carried out over the next 5 years, as required by the Quinquennial Review in 2008, including also a reserve for repairs to the Hall
- 4 Balance of Film Prize Money, received December 2008, yet to be allocated for a particular purpose by the PCC
- 5 Gift Day appeal money, including Gift Aid thereon, received in July 2011 (see Note 5.H)
- 6 Unallocated reserves at the Balance Sheet date, being approximately 4 months working expenses

Working expenses taken as	£ 100,000	p.a
Actual in these accounts	£ 91,574	

** The amount transferred from Category 3 to Category 6 is calculated to give the required figure in Category 6

The above are all General (i.e. Unrestricted) Funds. For details of how Restricted Funds reserves are made up, see Balance Sheet

Parish of St. James, Sutton

OUTSIDE PAYMENTS FOR THE YEAR ENDING

December 31, 2011

Calculation of Charitable Giving Amount

This is 10% of total income less Parish Share – see PCC Resolution 17 January 2007
For convenience, the figures for 12 months ending 31 October in the current year are used

This enables payment to be made to the selected Charities before Christmas.

Total Income		Entire Year	Period to 31/10/11
Church Account		87,557.77	73,327.38
Less Parish Share		52,043.04	43,369.20
		<u>35,514.73</u>	29,958.18
Less items to be excluded	Code		
Incumbent's Fees	54	5,633.50	4,995.50
Bellringers Fees	38	1,365.00	1,365.00
Magazine Receipts	40	4,766.00	4,186.83
Organist, Verger Sexton	48-50	2,630.00	2,325.00
Heat & Light charges	11	804.10	664.10
Plaque & Monument cost recovery	52	-882.70	-650.60
		<u>14,315.90</u>	12,885.83
		21,198.83	17,072.35
Add 2009 cheque not cashed			215.00
Income for November & December 2010			
	Church Account, reduced as above		
	2010		5,920.88
			<u>23,208.23</u>
10% to be given away			2,320.82
Gifts made (Special Efforts excluded) as rounded up		<i>(should have been £425)</i>	210.00
		<i>Excludes Vicar's discretionary gift - see below</i>	
Balance to be given (if positive)			<u>2,110.82</u>
Giving as resolved by PCC November 2011			
Secular	%	Calculated amount	Actual Amount
East Cheshire Hospice	12.5	263.85	265.00
Just Drop In Centre	12.5	263.85	265.00
Rossendale	12.5	263.85	265.00
Home Missions			
Frances House (Children's Hospice)	12.5	263.85	265.00
Church Urban Fund	12.5	263.85	265.00
Overseas			
Christian Aid	12.5	263.85	265.00
Lubwe	12.5	263.85	265.00
Church Missionary Society	12.5	263.85	265.00
		<u>2,110.82</u>	2,120.00
Vicar's Discretion			
Bible Society		425.00	425.00
<i>(Donation from Bible Festival already given so no further Vicar's discretion gift)</i>			
Grand total given in year		<u>2,535.82</u>	2,545.00

Parish of St. James, Sutton

SUMMARY OF FUNDS AND ACTIVITIES – YEAR ENDING

December 31, 2011

Opening Balances

	£			
	Unrestricted Funds	Restricted Funds	Total	2010
From Accounts to 31 December 2010				
General Unrestricted Funds	249,909.66		249,909.66	269,137
Choir Fund		4,990.89	4,990.89	4,425
Youth Club		521.29	521.29	521
Special Efforts money not yet paid out		50.62	50.62	185
Total Funds at Start of Year	249,909.66	5,562.80	255,472.46	274,268
Add Reserves Account Receipts and Transfers	-5,823.78			
Deduct Reserves Account Payments and Transfers	-12,535.46			
Net addition to Reserves	-18,359.24		-18,359.24	-19,955
Reserves at End of Year (see Reserves Account)	231,550.42	5,562.80	237,113.22	254,313
Add surplus (deficit if negative) for the year from Church Account	186.17		186.17	-435
Add surplus (deficit if negative) for the year from Hall Account	2,078.70		2,078.70	978
Add surplus (deficit if negative) for the year from Choir Account		-816.66	-816.66	566
Add Special Efforts money not paid out at year end (Note 5.N page 17)		1,238.45	1,238.45	51
	2,264.87	421.79	2,686.66	1,159
Total Funds at End of Year	233,815.29	5,984.59	239,799.88	255,472
Held as follows:				
Reserves (see Note 5H and Reserves Account)				
1 Findlow 1	55,063.56			55,064
2 Findlow 2	122,747.31			131,913
3 Repairs	20,155.50			21,835
4 Film Prize	1,639.03			2,900
5 Gift Day Appeals	876.56			4,865
6 Unallocated	33,333.33			33,333
Total of Unrestricted Reserves	233,815.29		233,815.29	249,910
Choir Fund		4,174.23	4,174.23	4,990
Youth Club Fund (dormant)		521.29	521.29	521
Other Restricted Reserves		1,289.07	1,289.07	51
	233,815.29	5,984.59	239,799.88	255,472
Represented by				
Ledger Balance of Bank	1,938.02		1,938.02	8,412
Balance of the C B F Deposit Account	84,989.22	5,984.59	90,973.81	89,004
14511.85 CBF Church of England Investment Fund Income Shares <i>Estimated value as at 31 December 2011 – see Note 4</i>	146,648.05		146,648.05	157,816
Balance of Petty Cash in Safe on Balance Sheet Date	240.00		240.00	240
	233,815.29	5,984.59	239,799.88	255,472

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2011

Notes 1 to 4 are prescribed for Accounts prepared on an accruals basis, but do not provide information that is not included elsewhere in the published accounts

The following Notes provide additional information not required to be included in the Accounts

5 MISCELLANEOUS

A The Magazine. We are required to show Magazine receipts and payments in separate places in these Accounts
For convenience, the figures are repeated here, so that the net cost of the Magazine to the Parish can be seen.

		2010	
Subscriptions	40	2,925.50	3,399
Advertising	41	<u>1,840.50</u>	<u>2,450</u>
Total Income		4,766.00	5,850
Expenses (printing)	117	<u>5,299.80</u>	<u>5,432</u>
Net Cost to Parish		<u>-533.80</u>	<u>417</u>

Note: Many of the Friends of St James (see Note M below) are entitled to a free magazine. In view of the small amounts involved, no part of donations received from Friends is treated as magazine income

B The Choir. The breakdown of this year's Income and Expenditure is:

Income			2010
Weddings 8 @ £90 (the same as in 2010)		720.00	720
Interest allocated to Choir Fund		3.09 (Donation)	33
Carol Singing		<u>771.70</u>	<u>779</u>
Total Income		1,494.79	1,532
Expenditure			
Music, Folders etc	252.84		324
	<u>568.00</u>		<u>174</u>
Training Courses, RSCM events & RSCM fee & donation			
Social Events	86.06		116
Payments to Junior Choir for Weddings	5.00		31
Replacement Cassocks & Surplices	1,381.25	Organist for TV system	150
Miscellaneous	18.30		<u>90</u>
Total Expenditure		<u>2,311.45</u>	<u>885</u>
Net income for year		<u>-816.66</u>	<u>647</u>

The value of choir robes, and also music, purchased this year and in the past by the Choir is not included in these accounts
The cost of Choir robes has traditionally been funded by the choir out of its reserves, and funds have been spent on replacement robes during this year
The 'Miscellaneous' figure in 2010 included the cost of a Surplice given by the Choir to the Vicar

C Bellingrings and Handbell Ringers

As last year, part of the amount now paid for bellingring at weddings is paid to the PCC and is included in these Accounts.

No part of fees paid to the Handbell Ringers belongs to the PCC

Any surplus is retained by the Bellingrings and Handbell Ringers respectively (each is entirely separate from the other) is retained by them for their own purposes or given to Charity

D Water Rates

The Surface Water and Waste Water Drainage Charge paid by us in 2009 has now been refunded (£462.14 received). It is not possible to estimate what further liability there may be for this Charge, and no provision for it is made in these Accounts

E Gift Aid

This has been claimed for the 12 months to the end of August 2011, and the next claim, for the 4 months to the end of December, will be submitted early in 2012. In accordance with our Statement of Accounting Practices (see elsewhere in these accounts) this will be accounted for when received

F Organist's Fees

For many years John Campbell-Kelly, our organist, has waived any fees for Sunday Services, though they have been offered from time to time over the years. Until 2008, this generosity was not recorded in the Accounts, but in 2008 and subsequently, in accordance with advice from the Church Accounting authorities, this has been changed, by including as an expense the fees which would have been paid to him had he wished to take them, and including the same amount in the total for Donations Received. The figure included in each of these categories is £1,950 (£2,010 last year), being the fees for a total of 65 services @ £30. No payment has been made for Choir Practices.

G	Incumbent's Fees	The arrangements for dealing with the Incumbent's fees paid to the Church for weddings and funerals etc, have changed during the year, because the Incumbent has now assigned his fees to the Diocese. Accordingly, we now pay direct to the Diocese all fees received, on a quarterly basis. This change makes no difference to our financial position as previously all fees were paid to the Incumbent, as noted in last year's accounts	
H	Total Funds (i.e. Reserves)	The Total Funds at the End of the Year at the Balance Sheet date, after adding or deducting the surpluses or deficits for the year on the Church and Hall Accounts, are shown on Page 8, and are made up of the amounts shown in the Reserves Account (page 5)	
		The deficit on the Church Account has, in accordance with a Resolution to that effect of the PCC, been funded by a transfer from Category 2 of our Reserves as shown in the Reserves Account, the amount being calculated to leave unallocated reserves of £33,333 (2010 - £33,333) at the end of the year. This figure is slightly more than 4 months expenditure at current rates, and the PCC regards this as an appropriate amount to have in current (i.e. unallocated) reserves.	
	Reserve Category	The following notes duplicate (for convenience) some of the information in the Reserves Account on pages 5 and 6, and some additional notes are included here	
	1	Balance of one-third of the Findlow legacy resolved in 2007 to be used for capital Grants to other charities (including churches) over a number of years, but not yet paid out. The PCC has not received any applications for grants as at the date of these accounts, but has begun an initiative which it is hoped will result in applications being made in 2012 – no grants have been made this year.	55,063.56
	2	Remainder of the Findlow legacy, originally resolved by the PCC to be retained as a permanent endowment, the income being used for grants from time to time to other charities (including churches) and for the general purposes of St James Church. In the light of the shortfalls on the Church Account in each of the last 4 years, the PCC has decided to fund the shortfall from these reserves. The further expenditure on heating and lighting in the Church has been deducted from this fund separately, for clarity. There were no further reserves for heating & lighting work at the start of the year - see Notes in 2010 Accounts	122,747.31
		<i>This item originally consisted only of the entire holding of CBF Church of England Investment Fund Income Shares as shown on page 5, but the transfer of funds from this category of reserves means that is no longer the case</i>	
		<i>Note: the amount originally invested was £185,000 which was slightly less (by £3,529) than two-thirds of the legacy. For convenience however, this difference is ignored, and the holding is treated as being the two-thirds of the legacy resolved to be retained.</i>	
	3	Provision for repairs to be carried out over the following 5 years, as required by the Quinquennial Review in 2008	20,155.50
	4	Remainder of the Film Prize Money, received December 2008, still retained by the PCC. The original prize was £3,000. The PCC has funded certain media related expenses during the year, and made a Grant to the Parish PIN Committee as shown.	1,639.03
	5	Gift Day appeal money received in 2010 and 2011. All the 2011 money has been spent on the Hall redecoration. All the Churchyard expenditure this year has been taken from the 2010 money, and the balance shown is thus from 2010. It will be allocated to the 2012 Churchyard expenditure.	876.56
	6	Unallocated reserves at the Balance Sheet date	33,333.33
		This represents approximately 4 months' expenditure	
		Total funds at the end of the year (see page 5)	233,815.29
J	Non-recurring Expenditure		
	1	Churchyard All the expenditure on the Churchyard was maintenance and repair, so is not included here	
	2	Office Equipment No equipment has been purchased during the year	
	3	Church Heating & Lighting The cost shown includes work done to improve the heating system, and also reflects the sale of the old light fittings on Ebay. After deducting the sale commission paid to Ebay, the net amount received was £756.69	
	4	Building Repair / Maintenance The amount paid of £1,679 is for some exterior repainting, and replacement of a window in the Vestry.	
	5	Hall Improvements & Decorating The Hall was decorated during the year & the PCC decided that the Gift Day donations should be used to fund this. There was a small deficit as shown, which has been taken from the year's Income	
K	Donations	The total of £3,610.54 comprises the Organist's gift of £1,950 (see Note 5.F above) and other gifts. It also reflects the net cost to the Church of Mission Praise hymnbooks purchased during the year, in respect of which a specific appeal was made. The results of the appeal were as follows	
		Cost of books & labels	£1,428.47
		Donations received from appeal, including related Gift Aid tax refund	1,304.00
		Net cost of hymnbooks, taken from other donations	124.47
		Gift Aid has been or will be claimed on gifts of £50 or more where practicable. The figures do not include Gift Aid.	

- L Miscellaneous Expenses The miscellaneous expenses totalling £2,161.90 (see page 2) comprised the following:

	£		£
Entries in Book of Remembrance	860.80	Gift Aid envelopes	124.02
<i>(reflects £45 recovered from cremations)</i>			
United Utilities Rain Tax refund (see Note 5.D above)	-462.14	CCLI Licence to permit music copying	228.86
		loss on Bible Festival	126.26
Sutton Parish Plan Steering Group - Grant	1,000.00	Welcome to Church Sunday reception - wine etc	23.13
Screen in Church purchased	90.99		
Camcorder purchased	169.98		
<i>The PCC resolved to make these payments from the Film Prize reserves, which have been reduced as shown in the Reserves Account</i>			

As envisaged at the time of purchase, the photocopier-printer has been used by a number of charitable organisations, and the cost to the Church plus a markup has been recovered in all cases. These receipts, which totalled £2,347, are not shown separately in these Accounts, but are set against office expenditure (code 153).

- M Friends of St James Church

This group was founded in 2010. There are now 53 Friends (42 at the end of 2010), all of whom are committed to giving various amounts, either monthly, quarterly or annually, by bank standing order. The majority of Friends have gift-aided their gifts. No Friends have ceased making their gifts.

The total of these donations is currently £5,506 per annum (£3,327 at the end of 2110). This does not include the Gift Aid tax that has been or will be recovered. The amount included in these accounts represents the first full year of gifts from the Friends (the scheme started in August 2010)

The amounts received from Friends are for the General Funds of the Church and are accordingly not shown separately in these Accounts. The gift-aided totals are included in the existing standing orders (Code 1), and the non-Gift Aided amounts are included with other general donations (Code 6)

- N Special Efforts

The sums raised and the donations made from these are shown on page 4. In most cases, the full amount received, less expenses claimed (many people donate to these events by not claiming expenses) is paid over straight away to the nominated charity. This year, however, there is a retained balance, which will be dealt with in 2012. It is made up as follows:

Book Sale	940.80	This is being retained, to be used on setting up and running the proposed Luncheon Club. To date, no expenses have been incurred.
Harvest Hotpot Supper	295.20	This is to be paid to Christian Aid
Sunday morning Coffee Fund	53.07	Current balance of Sunday Coffee Fund. Any balance not required is given to the Scouts, who do not charge anything for the use of their HQ on Sunday mornings
Total Balance held	1,289.07	

Parish of St. James, Sutton

BALANCE SHEET as at

December 31, 2011

	Unrestricted Funds	Restricted Funds	Total	2010
Current Assets				
Balance at Natwest Bank	1,938.02		1,938.02	8,412
Balance of the C B F Investment Account	84,989.22	5,984.59	90,973.81	89,004
14511.85 CBF Church of England Investment Fund Income Shares	146,648.05		146,648.05	157,816
Balance of Petty Cash in Safe on Balance Sheet Date	240.00		240.00	240
	233,815.29	5,984.59	239,799.88	255,472
Funds				
General Funds	233,815.29	1,289.07	235,104.36	249,960
Choir Fund		4,174.23	4,174.23	4,991
Youth Club (dormant)		521.29	521.29	521
	233,815.29	5,984.59	239,799.88	255,472

Approved by the Parochial Church Council on

March 2012 and signed on

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Edward W L Davies - Incumbent

Timothy Kendal – Treasurer

Parish of St. James, Sutton

Short Version of Accounts for year to

31 December 2011

Current Account

	Income	Expenditure	Surplus (deficit if negative)
Church Account (including Churchyard)	87,558	87,699	-142
Hall Account	10,595	8,188	2,407
Choir Account	1,495	2,311	-817
Totals on Current Account	99,647	98,199	1,448

Capital Account

Reserves at end of 2010 brought forward	255,472
Additions	
Legacies	1,000
Gift Day	4,345
Change in value of Investments	-11,168
Deduct Capital Grants etc made	
Deduct transfers from Reserves to cover Expenditure	-12,535
Reserves at end of 2011	237,113
Surplus/Deficit on Current Account as above	1,448
Other Adjustments (see Main Accounts)	1,238
Overall Balance at 31 December 2011	239,800

Allocated by the PCC as follows

	Reserves Category	
Findlow Legacy - part available for capital grants	1	55,064
Findlow Legacy - permanent endowment	2	122,747
Building repair & maintenance fund	3	20,156
Film, Prize Money - unallocated at present	4	1,639
Heating & Lighting improvements (Gift Days '08 and '09)	5	877
Unallocated Reserve - approx. 4 months' working expenses	6	33,333
Choir Funds etc. (Restricted Funds)	--	5,985
		<u>239,800</u>

Church Account – List of major items

	2011		2010	
	Income	Expenses	Income	Expenses
Collections, Planned Giving & Donations, Gift Aid	49,544		40,938	
Other donations etc	7,265		8,466	
Church Fees (Weddings & Funerals)	8,563		7,045	
Parish Share		52,043		50,527
Office & Vicarage (house and garden)		7,582		7,244
Church Heat, Light & Insurance		3,954		4,794
Churchyard Contractor		3,565		3,110

Parish of St. James, Sutton

STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2001 together with applicable accounting standards and the Charities SORP.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value

Funds

General funds represent the funds of the Parochial Church Council of the Parish ("the PCC") that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body or those that are informal gatherings of church members.

Incoming resources

Voluntary income and capital sources

Collections are recognized when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognized only when received.

Income tax recoverable on Gift Aid donations is recognized when the refund of tax is received.

Grants and legacies to the PCC are accounted for only when received.

Funds raised by the Special Efforts detailed in the Accounts and similar events are accounted for gross.

Other income

Rental income from the letting of church premises (and in particular the Hall) is recognized when the rental is received.

Income from investments

Dividends and Interest entitlements are accounted for on a receipts basis. Restricted and Unrestricted funds are not held in separate bank accounts or investments, so income from these sources is apportioned proportionately on receipt.

Gains and losses on investments

Realized gains or losses are recognized when investments are sold,

Unrealized gains or losses are accounted for on revaluation of investments at 30 June and 31 December in each year.

Resources used

Grants

Grants and donations, including those for which an advance commitment has been made, are accounted for when paid over.

Activities directly relating to the work of the Church

The diocesan parish share is accounted for when paid. The whole of the Parish Share for the year has been paid, but if any part thereof was unpaid at 31 December it would be provided for in these accounts as an operational (though not a legal) liability and would be shown as a creditor in the Balance Sheet.

Other future liabilities such as (but not limited to)

- Council Tax on the Vicarage,
- Expenses to be paid to the Incumbent
- Incumbent's Fees to be [aid over to the Chester Diocesan Board of Finance

are accounted for when paid, as the amounts involved are too small to justify inclusion in the Accounts as future liabilities

Fixed assets

Consecrated property and movable church furnishings

Consecrated and beneficed property of any kind is excluded from the accounts by s.96(2)(a) of the Charities Act 1993.

The Church Hall, and also the Glebe Fields, although not consecrated or beneficed, are regarded by the PCC as inalienable as if they were within these categories, and the PCC has accordingly resolved not to include either the Hall or the Glebe Fields as assets in the Financial Statements, as to do so would be misleading.

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are treated as inalienable property unless consecrated. They are listed in the church's Inventory which can be inspected at any reasonable time. For inalienable property acquired prior to 2006 there is insufficient cost information available and therefore such assets are not valued in the inventory. If any items had been acquired since 1 January 2006 they would have been capitalized and depreciated in the accounts over their currently anticipated useful economic life on a straight-line basis. No such assets have in fact been acquired.

All expenditure incurred in the year on consecrated or beneficed buildings, individual items under £1,000 or on the repair of movable church furnishings acquired before 1 January 2006 is written off.

Other fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired. No asset was acquired for more than £1,000 in the year covered by these Accounts

Investments

Investments are valued at market value at 31 December, though the figure shown for the December valuation is provisional and may have to be adjusted in future accounts

Current assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.

Short-term deposits include cash held on deposit either with the CBF Church of England Funds (CCLA Investment Management Ltd) or at the bank.

The PCC is legally required to include this document as part of the Accounts

Parish of St James, Sutton
Treasurer's Annual Report for 2011

Although I am not required by law to provide a written Report, I first did so in 2009 and gave my reasons for doing so. I do not propose to repeat them here. I will be happy to discuss this Report with anyone who wishes to raise matters on the Accounts, and of course to answer any questions that may arise.

You may remember that two years ago I had to report on a rather serious financial situation in that our normal recurring expenditure substantially exceeded our normal recurring income. A year later, at the end of 2010, I said that things had improved considerably, though I added that we were not entirely out of the wood. At the end of yet another year, my general comment now is, unfortunately, that we are not in such a good position as we were at the end of last year, but things are not as bad as at the end of 2009 – we still need to find a way of getting our finances onto a sustainable basis of not spending more than we receive.

I do not propose to comment in detail on every figure in the Accounts, but the following will I hope be helpful:

Pages 1 to 2 (the Church Account)

1. As already mentioned, the situation here appears on the face of it to be much the same as last year. There has been an increase in both income and expenditure, but this time there is a small surplus of £186, (shortfall of £636 last year). Details of which items have increase and which have not are shown. The only item in our normal income to mention is the apparently large increase in standing order donations. This is not an increase which will continue, because it is mainly attributable to the Friends' standing orders which have now been running for a full year (5 months in 2010). Overall, our total normal income has increased by 3.5% (£87,557 against £84,569).
2. I must however point out that the Gift Day money received in 2010 has been allocated by the PCC to churchyard maintenance, which is of course an expense we have to meet every year. This distorts the figures by a significant amount. If the donations had been used in the usual way for non-annual expenditure (such as new lighting, or heating, or even decorating the Church or Hall, which does not happen every year), our surplus this year of £186 referred to in 1 above would have become a shortfall of just short of £4,000, far larger than last year's shortfall of £636. The PCC will need to consider carefully how to deal with this in future. It is certainly arguable that the Gift Day donations should in future be used to offset annual running costs as has been done this year, leaving improvements and non-annual items such as decorating to be financed in other ways.
3. One further distortion of the figures, much smaller than the Gift Day money just mentioned, is that, as mentioned in Note 5.D on page 9, we received a refund of the Surface Water & Waste Water Drainage Charge (otherwise

known as the Rain Tax) originally paid in 2009. The refund was £462, and if we had not received it, our shortfall for the year would be increased by this amount.

4. "Other Donations" once again include a substantial donation from our organist in respect of waived fees – see Note 5.F for more on this.
5. Bank Interest. Interest rates remain very low and so the bank interest received is again reduced – not by much but it is now a relatively insignificant item.
6. Investment Income and rent. This is slightly increased from last year. Robert Snape continues to use the Glebe Fields for grazing.
7. Insurance premiums for the Church and Hall have increased slightly, but I fear we can expect more substantial increases in 2012, because of the continuing problem of lead theft – we ourselves have suffered this year, though nothing like as much as some churches.
8. Churchyard contractor. The churchyard committee was able to negotiate the same rate as for 2010, which was less than in 2009, the year before the present contractor started, which should be appreciated by us all. As mentioned above, the 2010 Gift Day appeal was for the maintenance of the Churchyard and because the money was only received in July 2010, it was decided that in preparing the 2010 accounts none of the donations would be used that year, the whole being carried forward to 2011. You will see that this has been done and that a small surplus of £876 is to be carried forward to 2012.
9. The magazine. Last year there was a profit of £417, following a loss of £1,785 in 2009. Unfortunately we have gone back to making a loss on the magazine this year, though at £533, not as large as in 2009. Hopefully the Magazine Committee will be able to balance the books in 2012
10. We have once again had to take the whole of the income from the Investments in Category 2 of our Reserves for Church purposes, even though the 2007 decision of the PCC was to use this income "for grants from time to time to other charities (including churches) and for the general purposes of St James Church". Unless we can find a way of increasing our income or reducing expenditure, it will not be possible to balance the books without using all this income and indeed some of the capital at some stage in the future.
11. Although the position is much the same as it was 12 months ago, the Finance Committee and the PCC need to keep everything under review, to ensure that we continue to have only a small, or perhaps even no, deficit each year.

Page 3 (the Hall Account)

It is good to see a surplus once again this year – it is more than double last year's figure, and the committee are to be congratulated. They will no doubt do all they can to increase the surplus in 2012, by reviewing rates and maximizing the use of the hall, whilst at the same time keeping a very close

watch on expenditure.

The Hall has been decorated using the 2011 Gift Day donations, with a small shortfall being met from Hall income

Pages 5 and 6 (Reserves)

The Reserves Account shows the effect of the lower value of our investments – the loss of £11,168 is of course a paper loss, and does us no immediate harm – but it does mean that our reserves will last for that much less time than they would otherwise have done – and who knows what 2012 will bring! The future value of the investments is of course outside our control, and we just have to live with this uncertainty.

The investments continue to be professionally managed, and I have every confidence in the management team at CCLA who provide the same service to many Dioceses (including Chester) as well as numerous other charities.

The PCC has set aside funds for reserves categories 1 to 5 on the same basis as last year, leaving unallocated reserves as before, namely £33,333. See below for more on this.

Page 7 (Outside Payments)

In the past, 10% of our income (calculated, broadly, by taking the income shown in the accounts and deducting the parish share) has been given to outside charities, selected each year by the PCC and, as to part, by the vicar personally.

For 2010 however, because of the deficit on our normal recurring income and expenditure, the PCC decided in November 2010 that having regard to the substantial sums already given to other charities during the year as a result of Special Efforts totalling £2,478, for 2010 only, no such donations were to be made.

In November 2011, it was decided to resume donations on the same basis as in 2009, and these donations have been made as shown.

Page 8 (Summary of Funds and Activities)

This is more commonly called the Balance Sheet, and provides a snapshot of our position on the accounting date, 31 December 2011. It is in substantially the same form as last year.

Pages 9 to 11 (Notes to the Accounts)

The Notes are I believe largely self explanatory, This year I have excluded Notes 1 to 4, as they are not now required. I do however recommend that everyone looks at Note 5 (starting on page 9) , and in particular Note 5.H relating to Reserves (page 10).

The figure for unallocated reserves of £33,333 is the same as in the 2010 Accounts, i.e. roughly one third of our annual expenditure – this is really not

ideal – I would regard unallocated reserves of between 4 and 6 months' expenditure as a more appropriate level. This can, however, only be achieved this year by drawing further on our reserves, and the PCC has decided that the lower level of unallocated reserves should be retained for the time being.

The Friends' donations continue to be a very valuable contribution to our finances. As previously, all money received from Friends is treated in exactly the same way as our other normal sources of income, (i.e. standing order giving, envelopes, and the collection plate). There are therefore no separate figures in the accounts for the money given to us by the Friends.

Page 13

Although I have provided this Short Version of the Accounts as in previous years, I would like to stress that I do not consider it to be anything like an adequate substitute for the Accounts themselves. I have enlarged it slightly to provide more information than before, but although it is complete and accurate as far as it goes, there is a great deal missing, and it does not present a complete view of our finances. If there is anyone who finds venturing into the full Accounts to be somewhat daunting, but would like a guided tour, I would be happy to provide that on request.

There are three further points which I would like to add in concluding this report:

1. I have once again been greatly assisted during the course of the year by Jo Loftus, who has been going into church each week to count up the weekly collections, and take this money to the bank. I'm very grateful to Jo for doing this, and it does reduce my workload considerably! Thank you.
2. I have also been greatly assisted by Gwen Newman in making certain changes to the format of the Accounts, which have reduced the number of pages and at the same time improved legibility. Some pages, which serve no useful purpose and which are not required by law, have also been omitted. Thank you Gwen.
3. The Grants page of the Accounts, showing capital grants made from the Findlow 1 Reserves was omitted last year as no payments were made. It has again been omitted, for the same reason. See Note 5.H regarding Reserves Category 1 (page 10) for more on this.

Tim Kendal

Hon Treasurer

March 2012